

## Community resources

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## Viewing cable 06BUENOSAIRES1732, K VERGUENZA: KIRCHNER-CONTROLLED CONGRESS PASSES

If you are new to these pages, please read an introduction on the [structure of a cable](#) as well as how to [discuss them](#) with others. See also the [FAQs](#)

### Understanding cables

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables ([browse by origin](#) to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this [WikiSource](#) article as reference.

### Discussing cables

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at the paragraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g. #06BUENOSAIRES1732.

Reference ID	Created	Released	Classification	Origin
<a href="#">06BUENOSAIRES1732</a>	2006-08-03 18:53	2011-08-30 01:44	<a href="#">CONFIDENTIAL</a>	Embassy Buenos Aires

Appears in these articles:

<http://www.lanacion.com.ar/1357063-eeuu-veia-una-oposicion-cercana-a-la-irrelevancia>

VZCZCXRO9877  
PP RUEHCD RUEHGA RUEHGD RUEHHA RUEHHO RUEHMC RUEHQU RUEHTM RUEHVC  
DE RUEHBU #1732/01 2151853  
ZNY CCCCC ZZH  
P 031853Z AUG 06  
FM AMEMBASSY BUENOS AIRES  
TO RUEHC/SECSTATE WASHDC PRIORITY 5441  
INFO RUEAIIIA/CIA WASHDC PRIORITY  
RUEKJCS/CJCS WASHDC PRIORITY  
RUEHNA/DEA WASHDC PRIORITY  
RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY  
RUEHC/DEPT OF LABOR WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY  
RUEKJCS/SECDEF WASHDC PRIORITY  
RUCNMRC/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS  
RUEHMD/AMEMBASSY MADRID 1681

C O N F I D E N T I A L SECTION 01 OF 02 BUENOS AIRES 001732

SIPDIS

SIPDIS

STATE FOR WHA TOM SHANNON, JOHN MAISTO, AND CHARLES SHAPIRO  
NSC FOR DAN FISK

TREASURY FOR DAS NANCY LEE  
USCINCSO FOR POLAD

E.O. 12958: DECL: 08/03/2016

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SUBJECT: K VERGUENZA: KIRCHNER-CONTROLLED CONGRESS PASSES  
SUPERPODERES BILL

REF: A. BUENOS AIRES 01594

[¶](#)B. BUENOS AIRES 00293

Classified By: CDA, a.i., Michael Matera, Reasons 1.4(b) and (d)

[¶](#)1. (SBU) SUMMARY: On August 2, the Lower House of the Argentine Congress approved a controversial bill granting the Casa Rosada permanent special powers to modify the federal budget without the approval of Congress. The bill passed the Senate three weeks earlier. Congress authorized these special budgetary powers on a year-by-year basis during the economic crisis and its aftermath between 2001 and 2005, but the new bill would make these powers permanent. Political opposition leaders strongly opposed the bill, but with the help of the ex-Duhaldista bloc and defecting Radical Civic Union (UCR) members, Kirchner's supporters easily won the vote. END SUMMARY.

[¶](#)2. (SBU) On August 2, the Lower House of the Argentine Congress approved a controversial bill granting the Casa Rosada permanent special powers to modify the federal budget without the approval of Congress. The bill passed the Senate three weeks earlier. The new law specifically will permit Cabinet Chief Alberto Fernandez to move funds around within five key areas of the budget: government administration, security and defense (with the exception of the national intelligence service SIDE), social services, economic services, and public debt interest. Furthermore, the Cabinet Chief will be able to alter the percentage of the budget devoted to current expenditures and capital investments.

[¶](#)3. (SBU) Congress authorized these special budgetary powers on a year-by-year basis during the economic crisis and its aftermath between 2001 and 2005, but the new bill would make these powers permanent. The Casa Rosada did not request the special budgetary powers in the 2006 budget, approved before Kirchner effectively won control of Congress in the October 2005 legislative elections, because of opposition in Congress. (See Reftel A for more on Kirchner's recent actions in Congress.)

[¶](#)4. (SBU) Leaders from the political opposition strongly opposed the bill, but with the help of the ex-Duhaldista bloc and defecting UCR members, Kirchner's supporters easily won the vote. President Kirchner argued that the special powers are ""necessary instruments to be able to govern and carry Argentina forward." Kirchner's allies in Congress criticized UCR congressmen opposed to the current bill that voted in 2001 to grant then Minister of the Economy Domingo Cavallo, part of a UCR-led government, these same powers. (Note: Cristina Kirchner, then a Lower House Member from Santa Cruz, vehemently opposed the granting of special budgetary powers to Minister Cavallo in 2001. End Note.) UCR President Roberto Iglesias countered, ""It would be irrational to think that rules in force during a moment of hyperinflation would be applied today, when there is a surplus." Affirmation for an Egalitarian Republic (ARI) expressed her opposition in stronger terms, arguing that the bill represented, ""the death of the Republic." ARI and Mauricio Macri's Republican Proposal (PRO) are considering taking legal action against the bill, but legal consultants argue that the chances of a successful legal challenge are remote.

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COMMENT  
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[¶](#)5. (C) Together with the recently passed law that legitimates the President's arbitrary use of presidential

decrees, Kirchner has essentially stripped the Argentine Congress of its control over the budget. Kirchner's additional powers will undoubtedly be useful next year during the presidential election campaign. Kirchner's budgetary control and other recent actions, such as the Council of Magistrates reform that strengthened the Casa Rosada's control over the judiciary (See Reftel B), have brought presidential authority in Argentina to its highest level

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since the return of democracy in 1983. All hope that Kirchner would pursue more moderate policies after winning the mandate in last year's congressional elections that was denied him when former President Carlos Menem dropped out of the second round presidential race in 2003 is gone.

¶6. (C) However, Kirchner is not the only one to blame for the poor condition of Argentina's institutional democracy, as the opposition once again demonstrated its disunity and complete lack of power. Not only did several members of the opposition UCR vote for the bill, but unlike during the debate over the Council of Magistrates reform, the opposition leaders could not even manage to organize a group photo-op. Both ARI and PRO leaders talked about taking the issue to the courts, but could not agree on a joint legal effort. The opposition will need to work more closely together in order to prevent further erosion of Argentina's democratic institutions and avoid their relegation to political irrelevance. END COMMENT.

MATERA